Playing Both Sides: Belarus between Russia and the EU

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Veröffentlichungsversion / Published Version
Arbeitspapier / working paper

Zur Verfügung gestellt in Kooperation mit / provided in cooperation with:
SSG Sozialwissenschaften, USB Köln

Empfohlene Zitierung / Suggested Citation:
Nice, A. (2012). *Playing Both Sides: Belarus between Russia and the EU.* (DGAP-Analyse, 2). Berlin: Forschungsinstitut der Deutschen Gesellschaft für Auswärtige Politik e.V.. https://nbn-resolving.org/urn:nbn:de:0168-ssoar-350228

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March 2012 N° 2

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by Alex Nice

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Summary

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This paper takes Belarus as a case study to consider patterns of cooperation and conflict between Russia and the EU in the "common neighbourhood." It examines the ways that Belarus under Alexander Lukashenko has exploited competition between the EU and Russia to extract subsidies which have helped to sustain the regime.

The paper begins by examining why Belarus's relations with Russia have become characterized by cycles of conflict and engagement. Integration with Belarus represents an important part of Russia's efforts to maintain regional hegemony. On the other hand, the relationship is also perceived as a burden which provides resources for the Belarusian regime's survival with little benefit to Moscow. The contradictions of this approach have been further sharpened by the Customs Union.

It is argued that Belarus has provoked further conflict with Russia by adopting an increasingly instrumental approach to integration. The assertion of loyalty or independence can be seen as a form of "sovereignty entrepreneurship," which recalls the ethnic bargaining of Russia's regions in the 1990s. When Russia has sought to reduce subsidies, Belarus has responded by threatening to diversify its foreign policy and seeks other partners.

However, the inconsistencies of Lukashenko's foreign policy mask a deeper continuity—the consolidation of Belarusian statehood and identity as an independent state. The dilemma for the EU—which has an interest in promoting Belarusian sovereignty—is that this has been conducted within the context of an authoritarian system.

Both the EU and Russia are seeking to shape Belarus's domestic normative environment. The implication of EU policy is that Belarus needs to discover (or recover) its European identity, which has been suppressed by its Soviet heritage and the current regime. The rational for integration with Russia is a common history and cultural affinities as part of a single Slavic civilizational space.

Behind these competing approaches is an implied struggle for Belarusian identity which, because it is cast in terms of geopolitical choice, is liable to lead to polarization between Russia and the EU. In the long term, the consolidation of Belarusian statehood is likely to lead to further differentiation from Russia. However, the failure of the nationalist opposition to harness falling support for Lukashenko's regime suggests that a change of government will not necessarily lead to the immediate "Europeanization" of Belarus. This suggests that the EU needs to recalibrate its policy to be more sensitive to the needs of Belarusian society, rather than making it the object of broader strategic rivalries.

Zusammenfassung

Ein doppeltes Spiel – Belarus zwischen Russland und der EU

von Alex Nice

Diese Analyse nimmt Belarus als den Fallgegenstand zur Untersuchung der Muster von Zusammenarbeit und Konflikt zwischen Russland und der EU innerhalb der »Gemeinsamen Nachbarschaft«. Untersuchungsgegenstand ist die Art und Weise, wie Belarus unter Alexander Lukashenko die Konkurrenz zwischen EU und Russland genutzt hat, um Vorteile zu erhalten, die den Fortbestand des Regimes gefördert haben.

Zu Anfang wird überprüft, warum die Beziehungen von Belarus mit Russland sich durch Zyklen von Konflikt und enger Bindung auszeichnen. Die Integration mit Belarus ist ein bedeutender Teil der russischen Bemühungen, die regionale Hegemonie aufrechtzuerhalten. Andererseits wird die Beziehung auch als eine Last gesehen, die dem belarussischen Regime überlebenswichtige Ressourcen bringt, bei nur geringem Nutzen für Moskau. Die Widersprüche dieser Vorgehensweise sind durch die Zollunion noch verstärkt worden.

Es wird argumentiert, dass Belarus einen zusätzlichen Konflikt mit Russland dadurch provoziert hat, dass es Integration zunehmend instrumentell sieht. Die Bekräftigung einmal von Loyalität, dann wieder von Unabhängigkeit kann als eine Art von »Souveränitätsunternehmertum« angesehen werden, die an den »ethnischen Kuhhandel« der russischen Regionen in den neunziger Jahren erinnert. Sobald sich Russland darum bemüht hat, Subventionen zu verringern, hat Belarus darauf mit der Drohung geantwortet, seine Außenpolitik zu diversifizieren und sich andere Partner zu suchen.

Jedoch verdecken die Unbeständigkeiten von Lukashenkos Außenpolitik nur eine tiefer liegende Kontinuität – nämlich die Konsolidierung der belarussischen Staatlichkeit und der Identität als eines unabhängigen Staates. Für die EU – die ein Interesse an der Förderung der belarussischen Souveränität hat – liegt das Dilemma darin, dass sich dieser Prozess im Rahmen eines autoritären Staates abgespielt hat.

Sowohl die EU wie Russland bemühen sich darum, die innenpolitische Normenrahmen von Belarus zu formen. Die Folgerung der EU-Politik liegt darin, dass Belarus seine europäische Identität entdecken (oder wiedergewinnen) muss, die von seinem sowjetischen Erbe und dem gegenwärtigen Regime verschüttet worden ist. Die Begründung für die Integration mit Russland wiederum sind die gemeinsame Geschichte und die kulturellen Verwandtschaft als Teile eines einzigartigen slawischen Zivilisationsraums.

Hinter diesen konkurrierenden Ansätzen verbirgt sich ein angedeuteter Kampf um die belarussische Identität, die, da sie in Begriffen einer geopolitischen Entscheidung gebildet wird, zu einer Polarisierung zwischen Russland und der EU führen wird. Auf längere Sicht wird die Festigung der belarussischen Staatlichkeit wahrscheinlich zu einer zusätzlichen Abgrenzung von Russland führen. Jedoch bedeutet der Misserfolg der nationalistischen Opposition, von der nachlassenden Unterstützung für das Lukaschenko-Regime zu profitieren, dass ein Regierungswechsel nicht notwendigerweise zu einer sofortigen »Europäisierung« von Belarus führen wird. Dies legt nahe, dass die EU ihre Politik neu ausrichten muss, um besser auf die Bedürfnisse der belarussischen Gesellschaft eingehen zu können, anstatt sie zum bloßen Objekt breiterer strategischer Rivalitäten zu degradieren.

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Introduction

This paper takes Belarus as a case study to consider the implications of political competition between Russia and the EU in the "common neighbourhood." The primary focus is on the Belarus-Russia relationship, which has received less attention from analysts than EU policy towards Belarus, but plays a far more decisive and dynamic role in the country's development. The paper examines the ways that Belarus under Alexander Lukashenko has exploited competition between the EU and Russia to extract subsidies which have helped to sustain the regime.

Belarus is a small, authoritarian state with few mineral resources and an unreformed economy. It has depended heavily on subsidies from Russia to maintain growth without major economic liberalisation and deliver rents to the elite. To the extent that there is a Belarusian model of economic development, it relies on outsiders to pay for it. This approach could be understood as a form of "sovereignty entrepreneurship," through which Lukashenko has traded political loyalty, or threatened geopolitical reorientation, in order to extract foreign support. The success of this policy presupposes an atmosphere of geopolitical competition between Russia and the West in which both sides seek to influence internal actors through a mixture of coercion and inducements, and perceive the actions of the other as illegitimate. The longevity of the Lukashenko system, therefore, is in part a symptom of the failure to build a normative consensus between Russia and the West.

Both the EU and Russia are seeking to exercise external governance to shape Belarus's domestic normative environment. Behind these competing approaches is an implied struggle for Belarusian identity which, because it is cast in terms of geopolitical choice, is likely to lead to polarization between Russia and the EU should the country become politically unstable. The paper argues that this strategic rivalry between Russia and the EU leads both parties to pursue flawed policies towards the country and its leadership. As the regime in Belarus grows more brittle, the EU should be careful not to assume that political change will be analogous with "Europeanization." There is a danger that an atmosphere of strategic competition could obscure the best policy choices for what should be its ultimate addressee: the Belarusian people.

Belarus and Russia: Slavic Unity?

Russia and Belarus are notionally the closest of allies. Belarusian President Lukashenko's rise to power in the mid-1990s was built around a rejection of the pro-Western course of nationalists led by the Belarusian Popular Front in favour of economic and political re-integration with Russia. Following a series of international agreements in the 1990s, Russia and Belarus ratified a treaty in January 2000 establishing a Union State of the two countries. This guaranteed equal labour rights in both countries, removed border controls, and was intended to lay the foundation for the unification of legislation and creation of a single economic space and single currency. In 2007 Belarus agreed to form a Customs Union with Russia and Kazakhstan, intended to create a free-trade area between the three countries and unify legislations and external tariffs. In integrating with Russia, Lukashenko presented Belarus as Russia's bulwark against the West, on the front line of a civilizational divide. In 1999 he stated that "[...] the Union of Belarus and Russia should become an actual counterweight to the unipolar world that has currently developed [...] the strength-

ening of our unity is a historic chance of the entire Slavic civilization to survive under the current grim conditions of the world's re-partition."[1]

Russia and Belarus engage in close military cooperation through the Collective Security Treaty Organisation (CSTO) and on a bilateral level. The countries are part of a unified regional air defense system and Russia possesses two strategic bases in Belarus: an early-warning radar installation system at Gantsevichi, and a military communication centre at Vileyka. In 2007 Lukashenko declared that: "We will always be with the Russian people. If you would like to call us Russia's outpost in the west, we do not mind, we have never denied that."[2] Most critically, Russia has long provided Belarus with extensive economic support in the form of subsidized oil and gas, cheap loans and favorable trade agreements. These subsidies have played a significant contribution in maintaining the viability of Belarus' unreformed economy. According to President Dmitry Medvedev, total Russian subsidies to Belarus since 1991 have amounted to 50 billion Dollar.[3]

The Emergence of Conflict

In recent years, however, the relationship has become characterized by chronic conflict. A key area of contention has been the price of oil and gas supplied to Belarus as Russia has gradually sought to reduce the level of subsidy it provides to its neighbor. In January 2004, Gazprom briefly stopped supplies of gas to Belarus after the latter refused to agree to a price increase from 30 to 50 Dollar per million cubic meters. Disputes over gas and oil prices arose also in 2007 and again in 2010, when a conflict over gas prices and transit rates led Russia to reduce supplies by 15 per cent. The fall in subsidies has led to an increasingly confrontational stance from Minsk, which has publicly defied Russia on a number of issues. Having initially suggested that Belarus would follow Russia in recognizing South Ossetia and Abkhazia, Lukashenko quickly dropped the initiative, claiming that recognition could only be considered by the next parliament, although no formal procedure for the recognition of new states exists in Belarus. In 2009 Lukashenko boycotted the Moscow summit of the CSTO and cast doubt on the legitimacy of the proposed Collective Rapid Reaction Force. When Vladimir Putin visited Brest in March 2010 for a meeting of the Union State, Lukashenko unexpectedly left for Venezuela. In early 2010 Belarus initially refused to ratify the Code of the Customs Union with Russia and Kazakhstan. Relations reached their lowest point to date in the second half of 2010, when Russia launched an unprecedented "black PR" campaign against Lukashenko through a series of documentaries on Russian television. On 3 October President Dmitry Medvedev publicly denounced Lukashenko's anti-Russian rhetoric in his video blog and implied he was responsible for high-profile disappearances in the early 2000s.[4]

The Cyclicality of Russia-Belarus Relations

These conflicts are in part a product of broader shifts in Russia's approach towards the near-abroad through which it has sought to put relations on a more commercial footing, whilst pushing to acquire control "strategic" industrial assets and pipelines.[5] In 2006, the Russian government announced its new policy of achieving "equal profitability" from domestic, CIS and European gas sales by 2011, which presupposed a gradual rise in gas prices for all consumers to the levels paid in the EU. However, Russian foreign policy towards Belarus has not followed a linear trajectory, but rather a cyclical pattern of demands, tension and then retreat. At the end of 2006, for example, in line with its new energy policy, Russia moved to substantially raise the price of gas and introduced an export duty on oil products of 180 Dollar per ton. On 10 January 2007, Belarus capitulated to the demands, yet two days later Russia unilaterally announced it was reducing the export duty to 53 Dollar per ton. Despite the dispute, Russia provided a 1.5 billion Dollar loan later that year in return for assurances that Belarus could host tactical missile weapons in response to the development of infrastructure for a US missile defense shield in Eastern Europe. Similarly, despite the crisis in relations in 2010, at the start of 2011 Belarus continued to enjoy relatively preferential natural gas imports and paid less than its neighbors. In May 2011, after lengthy negotiations, Russia provided a 3 billion Dollar loan to Belarus over three

years through the Eurasian Economic Community. According to the Russian Ministry of Finance, subsidies from oil and gas to Belarus in 2010 amounted to 4 billion Dollar.[6] In November 2011, just a year after relations had reached their lowest point in the post-Soviet period, Russia and Belarus concluded new energy deals to reduce gas prices by 40 per cent until 2014 and increase the transit fee paid to Minsk. Following an agreement to sell the remaining 50 percent of shares in Beltransgaz to Gazprom for 2.5 billion Dollar, Russia's Sberbank provided a 1 billion Dollar loan to the state-owned potash manufacturer Belruskalii.[7]

Blurred Boundaries

The cyclicality of Russia-Belarus relations is due to the fact that Russia is caught between two conflicting policies: a desire to escape a relationship of dependence, seen in efforts to reduce subsidies, and an abiding fear of losing influence in a region of "privileged interests."[8] As Hannes Adomeit argues, "Kremlin officials perceive policies in their near neighborhood as an extension of Russian domestic ordering principles, as wedged between domestic politics and foreign policy."[9] This is particularly true in the case with Belarus because of the legacy of integration projects between the two countries which blur distinctions between domestic and foreign policy. The Union State initiative of the 1990s for a time made Belarus a semi-endogenous factor in Russia's domestic politics. After 1996, Lukashenko started an active PR campaign in Russia positioning himself as the unifier of the Slavic peoples and visiting more than two-thirds of Russia's regions. Belarus remains an internal factor in Russian politics. The Russian media campaign waged against Lukashenko in 2010 was intended largely for a domestic Russian audience to debunk the myth of the Belarusian economic miracle, emphasize the corruption of the regime, and its involvement with exiled oligarchs such as Boris Berezovsky. Despite a large number of agreements on integration neither side was willing to carry the Union State integration project to any conclusion: Belarus because the local elite came to understand they could not protect their interests from the Kremlin within a single state, and Russia because a formal revision of Russia's borders could upset its fragile federal settlement and trigger another cascade of ethnic-territorial bargaining within the country. Belarus thus continues to occupy a liminal space, somewhere between Russian foreign and domestic policy.

This ambiguity allows both parties to move easily between different and often contradictory discourses to characterize the relationship. In the case of Russia, it alternately frames its relationship with Belarus in terms of fraternity, paternalism and parasitism.[10] Even as Medvedev publicly attacked Lukashenko in his address in October 2010, for example, he continued to underline the importance of fraternal relations with Belarus, and claimed Russians and Belarusians are a single people. The blurring of political and cultural boundaries amplifies Russian sensitivities to western engagement. The logic of the Union State implies the existence—or, at least desirability—of a broader political community based around a slavic civilizational bloc. The potential for political change in the country is thus perceived not simply as a foreign policy problem, but as a direct threat to domestic interests.

Sovereignty Entrepreneurship

Over the years, the Belarusian leadership has proven adept at manipulating the ambiguity in its relationship with Russia and playing on the contradictions in Russia's foreign policy. Belarus's policy could be characterized as "sovereignty entrepreneurship"—the extraction of rents in the form of energy subsidies and credits in return for loyalty, or through the threat of a reorientation away from Russia. Belarus's response to falling Russian subsidies has been to threaten to diversify its foreign policy options, including with the EU, and emphasize its independence. In 2006, in response to Russian plans to raise gas prices, Lukashenko claimed that: "Our strategic line to the European Union is clear. We are saying frankly: without intending to join the EU, we offer a mutually beneficial partnership with this strong neighbor […] Belarus is not an enemy of the EU, she is their partner. We are ready to cooperate."[11] The policy is not so much "neo-titoist,"[12] as reminiscent of the ethnic bargaining techniques of Russia's regions in the Yeltsin period. This strategy has conditioned some of the

key features of Belarus' foreign policy, include striking rhetorical inconsistency, an indifference to external opinion, apparently reckless brinkmanship, and above all a tendency to reduce all foreign relations to transactional bargaining, whilst playing heavily on ideational factors and identity politics. Thus whilst Belarusian officials have recently talked up the benefits of the Customs Union and the Single Economic Space, they took a whole year to haggle over each provision and have made Belarusian participation conditional on the maintenance of energy subsidies.

Lukashenko has long understood the principle that "in bargaining, weakness may be strength"[13] and has finessed the art of revising or ignoring international agreements. For example, the January 2004 energy conflict with Russia was in part a response to Lukashenko's failure to honor a deal to sell controlling stakes in 30 Belarusian companies in exchange for the Kremlin's recognition of the 2001 presidential election.[14] When Belarus signed a new deal on oil import prices on 27 January 2010, the Deputy Prime Minister observed that "the agreement as we sign today cannot last long."[15] Conflict does not mark a failure of policy in this context—it is part of the fabric Belarus' foreign policy, since regional stability itself is used as a bargaining chip in negotiations. The same transactional logic shapes the negotiations with the EU over the release of political prisoners, and Belarus's abrupt announcement that it was halting an agreement with the US to transfer stocks of nuclear material to Russia in August 2011.

The instrumentalization of ideational factors fits into the logic of personalized rule and informal systems of power which predominate on both sides. The Belarus-Russia relationship is dogged by corruption. One of the most important forms of subsidy to Belarus has been the supply of Russian oil free of export-tariffs. The Belarusian state has depended heavily on this, using the profits from the re-export of oil at world prices to cross-subsidize loss-making firms. The arrangement provides fertile ground for corruption since Belarus has essentially operated as an off-shore intermediary for Russian oil companies. It has been suggested that the unilateral decision by Russia in 2007 to cut export tariffs to 53 Dollar per ton two days after demanding 180 Dollar per ton was the product of such corrupt agreements.[16] Russian beneficiaries of the Belarusian off-shore include Surgutneftegaz, Rosneft, Gazpromneft, Lukoil, Slavneft and RussNeft.[17] As in Ukraine, the lack of transparency in energy arrangements further blurs the distinction between domestic and foreign, because it brings part of the Russian and Belarusian elite into a corrupt transnational network inclined to privilege corporate interests over national priorities. Thus Yaroslav Romanchuk described the oligarchs who profited from Russia's energy concessions to Belarus as "the first citizens of the Union State."[18] A fruitful way of conceptualizing the relationship is to view the Belarusian elite as occupying an outer branch of what Alena Ledeneva calls "sistema": the web of informal elite networks which bind actors in a logic of mutual dependence and responsibility (*krugovaya poruka*).[19] Such a system is inherently unstable, since the rules of the game are fluid and obscure, but it is also very difficult to escape from. Lukashenko is also careful to remain personally involved in all intergovernmental agreements. This has not only made him one of the main beneficiaries, but also positions him as a guarantor of the relationship, strengthening his position in relation to both Russia and the domestic Belarusian elite.

Belarus and the EU

Since the mid-1990s, Belarus' relations with the EU have moved through phases of conflict and engagement, whilst remaining fundamentally antagonistic. The EU's policy towards Belarus has been shaped by three main considerations: a desire to strengthen Belarusian independence vis-à-vis Russia; the need, particularly after the 2004 EU enlargement, to have a functional relationship with a direct neighbor; and a normative agenda which emphasizes human rights and liberalization of the Belarusian political system. The problem the EU faces is that these policy strands are not mutually compatible in the context of a political regime in Minsk which perceives EU external governance not only as undesirable, but as a direct threat to its existence.

Since 1997, when ratification of a Partnership and Cooperation Agreement was suspended because

of growing authoritarianism in the country, the EU has effectively placed itself in opposition to the Belarusian regime. In 2004, the EU set its policy towards Belarus within a clear framework of conditionality. The Eastern Neighbourhood Policy Strategy document stated that "if significant positive developments take place in democratization in Belarus, there is scope for more active engagement with the Belarusian authorities at political level."[20] Over time the definition of what might constitute significant positive development has shifted. The 2006 "Non-Paper on Belarus" set out a list of 12 steps required for the establishment of a full partnership. The paper was addressed to the people of Belarus, rather than the government, underlining the perceived illegitimacy of the leadership. Demanding full implementation of the paper was tantamount to seeking regime change, since it would require a complete overhaul of the political and economic structure of the country.

The inclusion of Belarus in the Eastern Partnership initiative, and the increase in dialogue following the Russian-Georgian War appeared to indicate a shift to a more pragmatic approach. The imperatives for the EU to act as a "normative power" were apparently balanced by more realist considerations emphasizing the importance of maintaining Belarusian sovereignty and the need for pragmatic engagement. This has been led in particular by Belarus' direct EU neighbors, which have been concerned to maintain Belarusian sovereignty as a bulwark against Russian influence. In 2011, Dalia Grybauskaite, President of Lithuania, described Lukashenko as "a guarantee of stability in Belarus, and assurance that Russia will not be in this country on the border with Lithuania."[21] In practice, however, the Eastern Partnership has retained an embedded conditionality in its approach that belies the notion of partnership and joint ownership which the policy claims to advocate.[22] On the eve of the December 2010 Presidential elections, it was suggested that the government could receive 3 billion Dollar in financial support should the election meet OSCE standards.

The crackdown on the opposition following the 2010 Presidential elections has pushed the EU into a new round of sanctions and travel bans against leading officials. Following the elections the foreign ministers of Sweden, the Czech Republic, Poland and Germany made perhaps the most explicit call for the removal of Lukashenko to date in an article in the *New York Times*.[23] The on-going repression in Belarus has led to a diplomatic impasse, with high-level interaction between Belarus and the EU almost entirely frozen. At the same time, the EU has put placed a renewed emphasis on democracy promotion in the country, with a donor conference in February 2011 raising 87 million Euros in aid to support the NGO sector and independent media. At the conference, Polish Prime Minister Radek Sikorski drew an explicit parallel between the overthrow of Zine el Abidine Ben Ali and Hosni Mubarak, and the Lukashenko regime.[24]

The EU's policy towards Belarus is typically seen within the context of a tension between an idealist approach, which privileges democracy promotion, and realist concerns over the need to support Belarusian statehood for the sake of broader strategic aims.[25] In practice, however, both isolation and engagement have been pursued to a common end: to exert external influence on Belarus' development, either through diplomatic coercion, socialization of elites, or support of alternative domestic players. Whilst the EU imagines itself as a peaceful, benign norm-diffuser in the region, its rhetoric and policies have often positioned it in direct confrontation with Lukashenko and the regime more broadly. As one analyst observed in 2005, "EU policy has sought regime change by declaration."[26]

Lukashenko has used the threat of Western-sponsored regime change as a means to consolidate his position amongst the elite, and extract rents from Russia. As he stated in response to the introduction of the US Democracy Act in 2004, "If you scold me for seeing internal and external enemies, why are you giving me a pretext for finding such an enemy outside the country? Why are you supplying me with such a chance?"[27] For Russia, which perceives international relations largely in a zero-sum context, democracy promotion in its sphere of "privileged interests" is reflexively seen as an instrument of western power politics. When US Secretary of State Condoleezza Rice called for political change in 2005, Russia's Foreign Minister Sergei

Lavrov was quick to offer support to Lukashenko: "We would not of course be advocating what some people call regime changes anywhere. We think the democratic process, the process of reform cannot be imposed from outside."[28] References to the primacy of state sovereignty and the threat of foreign interference have coloured Russian political discourse for many years. Following the launch of the Eastern Partnership, Lavrov accused the EU of seeking to extend its sphere of influence, including into Belarus.[29]

From Sovereign Bureaucracy to Sovereign State

The EU's policy has thus inadvertently provided an opportunity for Lukashenko to blackmail Russia through threats of Western encroachment. Cycles of conflict and engagement are built into the fabric of Belarus' relationship with both Russia and the EU, and the regime has successfully exploited geopolitical competition in the post-Soviet space to extract foreign policy rents. The promiscuity of Lukashenko's foreign policy is in part a product of the undemocratic environment in which it is formulated, allowing the elite to pursue policies of convenience, without deference to broader societal trends.

However, the apparent inconsistencies in Belarusian foreign policy obscure an important internal dynamic. Behind the games of "virtual integration" with Russia, the regime has pursued a state-building policy, which, whilst based on very different foundational myths to that of the nationalist opposition, has nevertheless emphasized Belarusian independence, and created room for the development of a distinct Belarusian identity. In the 20 years since the collapse of the USSR the reality of Belarusian statehood has gradually filled with ideological content. This has above all involved differentiation from Moscow. As the Russian analyst Sergei Karaganov observed in 2007: "In more than a decade, there has emerged a Belarusian political class which no longer wants rapprochement with Moscow."[30] In part this is simply a natural product of the decay of the post-Soviet space, through which the populations and elites of the newly independent states have acquired what Arkady Moshes calls the "habit of independence."[31] Belarus was long thought to be an outlier in this process. Lukashenko, after all, came to power on a platform of reintegration with Russia in opposition to the nationalist agenda. However, since the start of Putin's presidency in 2000 Lukashenko has understood that he could only build a sovereign bureaucracy within a sovereign state. As a result, as Natalia Leschenko has argued, far from being a "denationalized" nation, Belarus has been the site of a comprehensive nation-building project.[32]

Whilst continuing to pay lip-service to notions of Slavic kinship, the regime in Minsk has promoted a nation-building project which increasingly differentiates Belarus from Russia. Despite the notional commitment to economic integration through the Union State and now Customs Union, Russian investment in Belarus is viewed as a threat in Minsk and has been securitized by the elite. In recent years a number of "show trials" of public officials accused of lobbying Russian oligarchic interests have been held in Belarus. There has been no equivalent clampdown on officials working with European investors.[33] Belarus's response to Moscow's pressure for economic liberalization reveals much about its attitude to Russia. There appears to be a broad consensus across much of the ruling elite that Russian acquisition of assets would mark an unacceptable surrender of sovereignty. Following Aleksei Kudrin's remarks in early 2011 on the weakness of the Belarusian economy and the need for reform, Lukashenko remarked "they don't just want to privatize these enterprises (not even privatize—take over them for nothing)—they want to privatize the whole country […] be in no doubt, there is a serious game afoot. If we resist the state will continue to exist. If we don't resist, they will crush us and put us in their pocket."[34]

By presenting the current state-dominated ownership structure as an issue of national survival, Lukashenko is able to legitimize an economic and political structure which keeps him in power. In his speeches, Lukashenko frequently contrasts the stability, equality and social harmony of Belarus with Russia's "oligarchic capitalism." This is also a common theme of his meetings with representatives of the provincial Russian media. In 2008, as Lukash-

enko sought to engage with the West, he stated that: "We have declared in full voice that we are a nation, that we are sovereign, that we are independent. Of course many do not like this. Especially those who consider Belarus, Ukraine and other countries its 'zone of special interests.'"[35] The diversification of Belarusian foreign policy which has taken place over the last few years, which has led to intensified links with countries such as Iran, Venezuela and China, is in part an effort to locate new sources of investment, but is also intended to underline the country's political and strategic independence from its neighbor.

Lukashenko's chameleon foreign policy has been in part dictated by expediency, but it also reflects broader popular ambivalence about the country's geopolitical orientation. This is underlined by the singular failure of the opposition to mobilize mass support around identity issues. National opinion polls show that Belarusians feel an affinity for both Russia and the EU, and support for integration with both sides at the same time. In 2010, even amongst those who planned to vote for an opposition candidate, 42 per cent favored a candidate who would improve relations with Europe and Russia in equal measure.[36] Unpalatable as it is to admit for many Western observers, Lukashenko's brand of identity politics—which places emphasis on statehood over nationalism combined with reverence for the Soviet heritage and a nod to Slavic brotherhood—has for the moment proven more in tune with the attitudes of the majority of the population than that of the opposition which emphasize Belarus' European roots and seek to build a national identity for the country around its medieval history as a part of the Polish-Lithuanian Commonwealth.

A Civilizational Choice Deferred—or Imagined?

Understanding the development of Belarusian national identity is important, because identity politics shapes both the EU and Russia's approach to the country. Behind much of the discourse in the EU and Russia is an assumption that the future of Belarus as an independent country involves a civilizational choice to identify either with an East-Slavic "Russian World," or as a European country which will ultimately align with EU norms and governance structures. Seen from Minsk, the EU and Russia's policies towards Belarus are less different that they might first appear. Both have employed a mixture of incentives and coercion to try to influence internal policy and exercise external governance. Both are strongly conditioned by ideational and normative factors which in part reflect a projection of domestic priorities.

For the EU, Belarus is a target for democracy promotion and external governance—it is viewed as a country which needs to be changed through liberalization of the political system and engagement with society. The liberal change is assumed to involve a greater identification with EU norms—indeed the acceptance of the EU's external governance is seen as synonymous with Europeanization. As a result, there is a tendency to imagine the Belarusian people as a self-evidently "pro-European" nation held hostage by a neo-Soviet elite. As the opposition politician Alexander Milinkevich remarked of Lukashenko in 2006, "I am a Belarusian, and he is a Soviet man."[37] Such an approach ignores the active nation-building policies which have taken place under Lukashenko, which has positioned Belarus as an undeniably European country, but rejects the imposition of EU governance. Thus the proponents of Belarus's European identity actually seek the reformatting of the Belarusian nation that has been shaped in a very different normative context.

The fact that the consolidation of Belarusian statehood has been driven by an authoritarian leadership which positions itself in opposition to European values is one of the fundamental challenges facing the nationalist opposition and the EU. The success of the EU's policy in Eastern Europe has rested on the assumption that in target countries the dynamics of nationalization, democratization and Europeanization are necessarily aligned. In Belarus, however, the dominant nation-building process has been pursued without democratization, and in opposition to European integration. As Nelly Bekus argues, the assumption that democratization is synonymous with a "national revival" weakens the democratic agenda by hitching it to the divisive issue of identity politics.[38]

Alternative Approaches to Belarus

Belarus' geopolitical ambivalence therefore reflects not only Lukashenko's opportunism but deeper historical and cultural legacies. The EU needs to bear this in mind as it seeks to foster political change in the country. A "European choice" for Belarus should never be foreclosed, but current policies risk privileging divisive identity issues over pragmatic concerns and pushing the EU into supporting opposition groups which do not reflect the interests of broader society. To date, the decline in support for Lukashenko has not been accompanied by a commensurate gain in popularity for any other political force.[39] The opposition remains unknown to the broader population, civil society is undeveloped and horizontal linkages are weak. This is not to suggest that the failure of the opposition should be placed on the EU, or indeed on exclusively on opposition activists. Operating any kind of grassroots campaign in the context of a police-state is extremely difficult.

At a time of economic crisis in Europe, the EU should avoid taking the gravitational attraction of the EU's social and political model for granted. In order to construct a successful policy towards Belarus, the EU needs to move beyond the teleology of "transition" to European norms and recognize the specificity of the country's development. The Belarusian economy is under serious pressure, and there is an increasing risk of instability. The Ukrainian Orange Revolution in 2004/2005, underlined the potential for instability to lead to polarization when the common neighborhood is inscribed with sweeping geopolitical narratives. The fact that Lukashenko is an autocrat does not diminish the fact that he reflects the cultural values of a significant proportion of the population. Rather than focusing on the "Europeanization" of Belarus, a more fruitful approach would be to side-step identity politics and engage with more practical issues. If the EU is to act as "post-modern power" it should not allow strategic rivalry with Russia to obscure the interests of the Belarusian people.

The greatest policy priority for Belarus at the moment is the development of a coherent plan for economic development and modernization. Average wages, which were raised in advance of the presidential elections to 500 Dollar per month, fell to 265 Dollar in September 2011 as a result of a series of currency devaluations and spiralling inflation. In 2011 Belarus fell from the third best to the third worst country in the CIS in terms of average salary, above only Kyrgyzstan and Tajikistan. The decline of the Lukashenko regime is likely to be accompanied by a period of painful economic adjustment. In 2011, the number of people below the poverty line increased by 2.5 times to a quarter of the population.[40] Given the weakness of the opposition and the size and strength of the bureaucracy, agents of change are most likely to come from within the regime. A number of analysts have thus advocated attempting to build ties with reform-minded members of the ruling elite as a means to of overcoming the impasse in EU-Belarus relations.[41] Whilst Lukashenko continues to hold political prisoners, such an approach remains politically and morally impossible. If, however, Russia seeks to exploit Belarus' economic crisis to push for greater control of the economy, Lukashenko may once again seek to engage with the EU, at which point new policy options may become available.

Conclusion

This paper has argued that the strategic rivalry between the EU and Russia has generated a propitious environment in which Belarusian authoritarianism can survive. Russian strategic culture continues to perceive its near abroad in zero-sum terms. Russian officials often warn that advancing Euro-Atlantic integration in the post-Soviet space will create "new dividing lines" in Europe.[42] Lukashenko has proven adept at manipulating perceived cultural, normative, and institutional boundaries between Russia and the West to his advantage. The various integration projects between Russia and Belarus have blurred political, ethnic and cultural boundaries without providing any roadmap for the creation of a coherent political community. This institutionalized ambiguity has allowed Lukashenko to play at "virtual integration" when it has suited him, whilst consolidating sovereignty of the Belarusian political system. Such ambiguity is harmful to the political culture of both countries. A political community needs clearly defined borders

to build a civic identity; whilst the border of Russia and Belarus remains blurred by transcendental civilizational categories, autocratic rule is likely to persist in both countries. Behind the question of Belarusian sovereignty thus looms the unresolved contradictions in Russia's own national identity and state-building project.

The success of Belarusian foreign policy has rested on a deep-seated conviction in Moscow that an expansion of Western influence in the neighborhood represents an existential risk to Russia. As a result, Moscow has continued to subsidize the Lukashenko regime despite chronic disputes. Escaping this dynamic will be impossible without fundamental shifts in foreign policy in Russia. Nevertheless, the EU could profitably seek to interrogate the foundations of this strategic competition. As Igor Torbakov notes, Russia's foreign policy is schizophrenic, simultaneously proclaiming strategic independence and seeking rapprochement with the West.[43] In its dialogue with Russia, the EU could challenge Moscow to unpick some of these contradictions, and make clear that a true strategic partnership between Russia and the West can only be achieved on the basis of the promotion of shared values in the neighborhood.

At the same time, the EU needs also to ensure that it does not become hostage to identity issues in its approach to Belarus. Like Russia, the EU is seeking to be a normative hegemon in its neighborhood. The EU's power to shape its normative environment through policies such as the Eastern Partnership rests on its soft power and perceived legitimacy amongst the citizens and elites of target states. By tying democratization to divisive identity politics, however, the EU risks undermining its normative legitimacy. The challenge for the EU is to promote a universalist agenda of human rights within an environment in which they are quickly interpreted in terms of particularistic geopolitical interests.

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The DGAP would like to thank the Fritz Thyssen Stiftung for funding this project.

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